

Attachment 1

LIST OF DESIGNATED CONTACT PERSONS

- a) issues related to processing this application

Monica R. Borne
Nowalsky, Bronston & Gothard
3500 N. Causeway Blvd.
Suite 1442
Metairie, LA 70002
Ph. (504) 832-1984
Fx. (504) 831-0892

- b) consumer issues;
c) customer complaint resolution;
d) technical and service quality issues;
e) tariff and pricing issues;
f) 9-1-1 issues; and
g) security/law enforcement.

Richard Heidecke
WORLDxCHANGE Communications, Inc.
1919 S. Highland
Suite 129-D
Lombard, IL 60148
Ph. (630) 268-6620
Fx. (630) 268-6898

Attachment 2

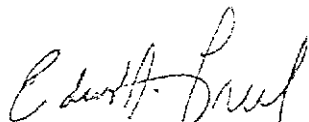
ARTICLES OF INCORPORATION
AND CERTIFICATE OF AUTHORITY FOR THE STATE OF ILLINOIS

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "CTI MERGER CO.", CHANGING ITS NAME FROM "CTI MERGER CO." TO "WORLDXCHANGE COMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE FIRST DAY OF MARCH, A.D. 2000, AT 1:30 O'CLOCK P.M.

3171244 8100

001204193


Edward J. Freel, Secretary 0396139

AUTHENTICATION: 04-24-00

DATE:

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
CTI MERGER CO.

The undersigned hereby certifies that he is a duly authorized officer of CTI Merger Co., a Delaware corporation (the "Corporation"), and that:

I.

The name of the Corporation is CTI Merger Co.

II.

Article I of the Certificate of Incorporation of the Corporation (the "Certificate") is hereby amended to read in its entirety as follows:

"The name of the corporation (the "Corporation") shall be
WORLDxCHANGE Communications, Inc."

All other provisions of the Certificate shall remain unchanged.

III.

The foregoing amendment was declared advisable and adopted by written consent of the Corporation's Board of Directors dated as of February 11, 2000, and by written consent of the stockholders of the Corporation dated as of February 11, 2000.

IV.

The foregoing amendment was duly adopted in accordance with the applicable provisions of Section 242 of the Delaware General Corporation Law.

The undersigned hereby executes this Certificate of Amendment of the Certificate of Incorporation, declaring and certifying that the facts stated herein are true, and accordingly has hereunto set his hand this 1st day of March, 2000.

CTI MERGER CO.

By: 

W. Tod Chmar
President

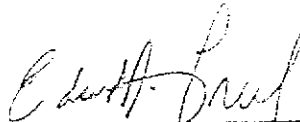
Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF
DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT
COPY OF THE CERTIFICATE OF INCORPORATION OF "CTI MERGER CO.",
FILED IN THIS OFFICE ON THE FOURTH DAY OF FEBRUARY, A.D. 2000,
AT 3:30 O'CLOCK P.M.

3171244 8100

001204193




Edward J. Freel, Secretary 0396130

AUTHENTICATION: 04-24-00

DATE:

**CERTIFICATE OF INCORPORATION
OF
CTI MERGER CO.**

I.

Corporate Name

The name of the corporation (the "Corporation") shall be CTI Merger Co.

II.

Registered Agent and Registered Office Address

The name of the registered agent of the Corporation in the State of Delaware is The Corporation Trust Company and its address in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.

III.

Purposes

The purposes for which the Corporation is formed are to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

IV.

Shares

The total number of shares of capital stock which the Corporation shall have authority to issue is One Thousand (1,000) shares which shares shall be common stock at a par value of one cent (\$.01) per share.

V.

Name and Mailing Address of Incorporator

The name and mailing address of the incorporator of the Corporation are Erik L. Belenky, Esq., Long, Aldridge & Norman, LLP, 303 Peachtree Street, Suite 5300, Atlanta, Georgia 30308.

State of Illinois
Office of
The Secretary of State

Whereas, APPLICATION FOR CERTIFICATE OF AUTHORITY TO TRANSACT
BUSINESS IN THIS STATE OF
WORLDxCHANGE COMMUNICATIONS, INC.
INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE HAS BEEN FILED
IN THE OFFICE OF THE SECRETARY OF STATE TO TRANSACT ALL BUSINESS IN
ILLINOIS UNDER THE ASSUMED NAME OF
WORLDxCHANGE COMMUNICATIONS OF DELAWARE
AS PROVIDED BY THE "BUSINESS CORPORATION ACT" OF ILLINOIS, IN FORCE
JULY 1, A.D. 1984.

Now Therefore, I, Jesse White, Secretary of State of the State of
Illinois, by virtue of the powers vested in me by law, do hereby issue
this certificate and attach hereto a copy of the Application of the
aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be
affixed the Great Seal of the State of Illinois,
at the City of Springfield, this 26TH
day of JUNE A.D. 2000 and of
the Independence of the United States the two
hundred and 24TH .



Jesse White

Secretary of State

Form **BCA-4.15/**
4.20

(Rev. Jan. 1999)

APPLICATION TO ADOPT,
CHANGE OR CANCEL,
AN ASSUMED CORPORATE NAME

File #

Jesse White
Secretary of State
Department of Business Services
Springfield, IL 62756
Telephone (217) 782-9520
http://www.sos.state.il.us

Remit payment in check or money
order, payable to "Secretary of State".

FILED

JUN 26 2000

JESSE WHITE
SECRETARY OF STATE

SUBMIT IN DUPLICATE

This space for use by
Secretary of State

Date

Filing Fee

Approved:

1. CORPORATE NAME: WORLDxCHANGE Communications, Inc.

2. State or Country of Incorporation: Delaware

3. Date incorporated (if an Illinois corporation) or date authorized to transact business in Illinois (if a foreign corporation): 1 1 2000
(Month & Day) (Year)

(Complete No. 4 and No. 5 if adopting or changing an assumed corporate name.)

4. The corporation intends to adopt and to transact business under the assumed corporate name of:
WORLDxCHANGE Communications of Delaware 6-1

5. The right to use the assumed corporate name shall be effective from the date this application is filed by the Secretary of State until 1 1 2000, the first day of the corporation's anniversary month in the next year which is evenly divisible by five.
(Month & Day) (Year)

(Complete No. 6 if changing or cancelling an assumed corporate name.)

6. The corporation intends to cease transacting business under the assumed corporate name of:

7. The undersigned corporation has caused this statement to be signed by its duly authorized officers, each of whom affirms, under penalties of perjury, that the facts stated herein are true.

Dated 6/2 00
(Month & Day) (Year)

attested by MAGergel
(Signature of Secretary or Assistant Secretary)

Mark A. Gergel, Secretary

(Type or Print Name and Title)

WORLDxCHANGE Communications, Inc.
(Exact Name of Corporation)

by W. Tod Chmar
(Signature of President or Vice President)

W. Tod Chmar

(Type or Print Name and Title)

NOTE: The filing fee to adopt an assumed corporate name is \$20 plus \$2.50 for each month or part thereof between the date of filing this application and the date upon which the corporation may renew its use.

The fee for cancelling an assumed corporate name is \$5.00.

C-148.11 The fee to change an assumed name is \$25.

Form **BCA-13.15**
(Rev. Jan. 1999)

APPLICATION FOR CERTIFICATE
OF AUTHORITY TO
TRANSACTION BUSINESS IN ILLINOIS

SUBMIT IN DUPLICATE!

Jesse White, Secretary of State
Department of Business Services
Springfield, IL 62756
Telephone (217) 782-1834
<http://www.sos.state.il.us>

This space for use by Secretary of State

FILED

JUN 26 2000

JESSE WHITE
SECRETARY OF STATE

This space for use by
Secretary of State

Date

License Fee \$

Franchise Tax \$

Filing Fee \$

Penalties \$

Approved: *D*

Payment must be made by
certified check, cashier's check,
Illinois attorney's check, Illinois
C.P.A.'s check or money order,
payable to "Secretary of State."

1. (a) CORPORATE NAME: WORLDxCHANGE Communications, Inc.

(Complete item 1 (b) only if the corporate name is not available in this state.)

(b) ASSUMED CORPORATE NAME: _____

(By electing this assumed name, the corporation hereby agrees NOT to use its corporate name in the transaction of business in Illinois. Form BCA 4.15 is attached.)

2. (a) State or Country of Incorporation: Delaware

(b) Date of Incorporation: February 4, 2000

(c) Period of Duration: Perpetual

3. (a) Address of the principal office, wherever located:

1209 Orange Street
Wilmington, DE 19801

(b) Address of principal office in Illinois:

(If none, so state)

208 South LaSalle Street, Ste. 1855
Chicago, Illinois 60604

4. Name and address of the registered agent and registered office in Illinois.

Registered Agent National Registered Agents, Inc.

First Name

Middle Name

Last Name

Registered Office 208 South LaSalle Street, Suite 1855

Number

Street

Suite #

Chicago, IL 60604

County of Cook

City

ZIP Code

County

5. States and countries in which it is admitted or qualified to transact business: (Include state of incorporation)

Delaware, Ohio, Alabama,

6. Names and residential addresses of officers and directors:

Name	No. & Street	City	State	ZIP
President <u>see attached</u>				
Secretary				
Director				
Director				
Director				

If more than 3, attach list

7. Purpose or purposes proposed to be pursued in transacting business in this state:
(If not sufficient space to cover this point, add one or more sheets of this size.)

The sale of telecommunications services and products

8. Authorized and issued shares:

Class	Series	Par Value	Number of Shares Authorized	Number of Shares Issued
Common		\$.01	1,000	1,000

9. Paid-in Capital: \$ 10.00

("Paid-in Capital" replaces the terms Stated Capital & Paid-in Surplus and is equal to the total of these accounts.)

10. (a) Give an estimate of the total value of all the property* of the corporation for the following year: \$ 1,000
- (b) Give an estimate of the total value of all the property* of the corporation for the following year that will be located in Illinois: \$ 0
- (c) State the estimated total business of the corporation to be transacted by it everywhere for the following year: \$ 10,000
- (d) State the estimated annual business of the corporation to be transacted by it at or from places of business in the State of Illinois: \$ 1,000

11. Interrogatories: (Important - this section must be completed.) see attached

- ** (a) Office or offices to which all contracts with the corporation are forwarded for final acceptance:
(b) Number of shares of all classes owned by residents of Illinois:
(c) Number of shares of all classes owned by non-residents of Illinois:
(d) Is the corporation transacting business in this state at this time?
(e) If the answer to item 11(d) is yes, state the exact date on which it commenced to transact business in Illinois:

12. This application is accompanied by a certified copy of the articles of incorporation, as amended, duly authenticated, within the last ninety (90) days, by the proper officer of the state or country wherein the corporation is incorporated.

13. The undersigned corporation has caused this statement to be signed by its duly authorized officers, each of whom affirms, under penalties of perjury, that the facts stated herein are true. (All signatures must be in **BLACK INK**.)

Dated APRIL 13, 2000
(Month & Day) (Year)
attested by MAGergel
(Signature of Secretary or Assistant Secretary)
MARY A. GERGEL SECRETARY
(Type or Print Name and Title)

WORLDxCHANGE Communications, Inc.
(Exact Name of Corporation)
[Signature]
(Signature of President or Vice President)
by W. TON CHMAR PRESIDENT
(Type or Print Name and Title)

* PROPERTY as used in this application shall apply to all property of the corporation, real, personal, tangible, intangible, or mixed without qualifications.

** When the response to #11(a) lists ONLY an Illinois address, then the total business as reflected in #10(c) is also considered to be Illinois business for the purpose of computing the Illinois allocation factor. By signing this application, the corporation affirms that it is aware that the amount of paid-in capital, and consequently the amount of license fees and franchise taxes, may be proportionately higher due to the Illinois address shown under #11(a).

OFFICERS

President:

W. Tod Chmar
945 East Paces Ferry Road
2210 Resurgens Plaza
Atlanta, GA 30326

Secretary:

Mark A. Gergel
945 East Paces Ferry Road
2210 Resurgens Plaza
Atlanta, GA 30326

Assistant Secretary:

Michael Mies
945 East Paces Ferry Road
2210 Resurgens Plaza
Atlanta, GA 30326

DIRECTORS

W. Tod Chmar
945 East Paces Ferry Road
2210 Resurgens Plaza
Atlanta, GA 30326

John D. Phillips
945 East Paces Ferry Road
2210 Resurgens Plaza
Atlanta, GA 30326

Interrogatories

11. (a) Office or offices to which all contracts with the corporation are forwarded for final acceptance:

**945 East Paces Ferry Road
2210 Resurgens Plaza
Atlanta, GA 30326**

- (b) Number of shares of all classes owned by residents of Illinois: **0**
- (c) Number of shares of all classes owned by non-residents of Illinois: **1,000**
- (d) Is the corporation transacting business in the state at this time? **No**
- (e) If the answer to item 11(d) is yes, state the exact date on which it commenced to transact business in Illinois: **n/a**

Attachment 3

JURISDICTIONS WHERE OPERATING

The Company is currently authorized to provide service in Arkansas, Georgia, Idaho, Kentucky, Massachusetts, Michigan, Montana, New York, Rhode Island, Tennessee, Texas, Vermont, Washington, and Wisconsin. The Company is in the process of applying for authorization or certification in all of the remaining states.

Attachment 4

MANAGEMENT PROFILES

EXECUTIVE PROFILES

WORLDxCHANGE COMMUNICATIONS, INC.

John D. Phillips (Director):

Named Chief Executive Officer and President of World Access, Inc. ("WAXS" on Nasdaq) on December 16, 1998, following the acquisition of the company he was then CEO of, Resurgens Communications Group. Mr. Phillips was elected Chairman of the Board on May 28, 1999.

Prior to his role at Resurgens, Mr. Phillips was the President and CEO of The Actava Group, Inc. ("Actava"), formerly known as Fuqua Industries, a \$1.3 billion diversified holding company, trading on the NYSE. During his tenure, he merged Actava with Metromedia International Telecommunications, Inc., and Orion Pictures Corporation to form Metromedia International Group ("MIG"), a \$750 million market capitalization company.

Mr. Phillips began his career in telecommunications in May, 1982 when he founded Transcall America ("TA"), a resale long distance telephone company. TA completed a reverse merger and acquired Advanced Telecommunications Corporation ("ATC"), a zero plus and one plus telecommunications company, in June 1983. Mr. Phillips built ATC from \$20 million in sales to more than \$1609 million in revenue by 1988. Mr. Phillips was the architect of the three-way merger of RCG with Metromedia Communications Corporation and LDDS. This transaction created the fourth largest long distance company in the country, WorldCom, Inc.

Mr. Phillips has successfully acquired or merged more than 150 companies and has completed more than 50 rounds of debt and public equity offerings. His track record demonstrates his ability to assemble management teams capable of successfully competing within their respective industries and delivering strong shareholder returns. All of his companies have been publicly traded, with the exception of NGK.

Mr. Phillips has been a director of World Access, Inc. since 1995.

W. Tod Chmar (President/Director):

Tod Chmar has served as an Executive Vice President of World Access, Inc. since December, 1998 following World Access's acquisition of Cherry Communications Incorporated. Prior to that, Mr. Chmar became an Executive Vice President of Cherry Communications Incorporated d/b/a Resurgens Communications Group and of Cherry Communications U.K. Limited in October of 1997 when Jack Phillips became CEO. He also became a director of both corporations at that time.

Mr. Chmar served as Senior Vice President of Metromedia International Group, Inc. from November 1995 through December 1996. Prior to that he was Senior Vice President of The Actava Group, Inc. from 1994 through November 1995, when it merged with Orion Pictures Corporation and Metromedia International Telecommunications, Inc. to form Metromedia International Group.

From January 1985 until September 1993, Mr. Chmar was a partner in the law firm of Long, Aldridge & Norman, specializing in mergers and acquisitions and corporate finance. He began representing Mr. Phillips at Resurgens Communications Group, Inc. in 1990 and upon consummation of the merger of Resurgens, Metromedia Communications Corporation and LDDS Communications, Inc., in September 1993, he joined Mr. Phillips as a business partner to pursue business deals.

Mark A Gergel (Secretary):

Mark Gergel joined the World Access, Inc. in April 1992 as Vice President and Chief Financial Officer. In December 1996, he was named an Executive Vice President of the Company and in December 1998, he was elected a director of the Company. From 1983 until March 1992, Mr. Gergel held five positions of increasing responsibility with Federal-Mogul Corporation, a publicly-held manufacturer and distributor of vehicle parts, including International Accounting Manager, Assistant Corporate Controller, Manager of Corporate Development and Director of Internal Audit. Prior to joining Federal-Mogul, Mr. Gergel spent four years with the international accounting firm of Ernst & Young. Mr. Gergel is a Certified Public Accountant.

Attachment 5

FINANCIAL STATEMENTS
OF WORLD ACCESS, INC. (Parent of Applicant)

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PART I

FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

WORLD ACCESS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

<TABLE>
<CAPTION>

	JUNE 30, 1999	DECEMBER 31, 1998
	(UNAUDITED)	
<S>	<C>	<C>
ASSETS		
Current Assets		
Cash and equivalents.....	\$ 98,996	\$ 55,176
Accounts receivable.....	97,342	70,485
Inventories.....	45,216	48,591
Deferred income taxes.....	33,022	37,185
Other current assets.....	21,907	21,381
	-----	-----
Total Current Assets.....	296,483	232,818
Property and equipment.....	62,325	63,602
Goodwill and other intangibles.....	309,540	298,780
Other assets.....	24,798	18,612
	-----	-----
Total Assets.....	\$ 693,146	\$ 613,812
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term debt.....	\$ 12,285	\$ 17,989
Accounts payable.....	58,393	36,418
Other accrued liabilities.....	45,744	52,825
	-----	-----
Total Current Liabilities.....	116,422	107,232
Long-term debt.....	140,728	137,864
Noncurrent liabilities.....	10,204	8,133
	-----	-----
Total Liabilities.....	267,354	253,229
	-----	-----
Stockholders' Equity		
Preferred stock.....	1	--
Common stock.....	448	441
Capital in excess of par value.....	544,481	472,945
Accumulated deficit.....	(119,138)	(112,803)
	-----	-----

Total Stockholders' Equity.....	<u>429,152</u>	<u>500,500</u>
Total Liabilities and Stockholders' Equity.....	<u>\$ 693,146</u>	<u>\$ 613,812</u>
	=====	=====

</TABLE>

See notes to consolidated financial statements

1

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<!--StartFragment-->WORLD ACCESS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE DATA)

<TABLE>
<CAPTION>

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1999	1998	1999	1998
	(UNAUDITED)			
<S>	<C>	<C>	<C>	<C>
Carrier service revenues.....	\$113,279	\$ 718	\$198,891	\$ 1,263
Equipment sales.....	64,493	33,824	122,360	56,684
Total Sales.....	177,772	34,542	321,251	57,947
Cost of carrier services.....	99,611	587	175,269	1,041
Cost of services network.....	4,394	38	9,963	76
Cost of equipment sold.....	36,748	17,171	68,690	29,353
Amortization of acquired technology.....	1,200	--	2,400	--
Total Cost of Sales.....	141,953	17,796	256,322	30,470
Gross Profit.....	35,819	16,746	64,929	27,477
Research and development.....	4,419	1,746	8,773	2,478
Selling, general and administrative.....	15,032	4,013	28,939	6,798
Amortization of goodwill.....	3,251	833	6,369	1,475
In-process research and development.....	--	--	--	35,400
Restructuring and other charges.....	--	--	--	590
Operating Income (Loss).....	13,117	10,154	20,848	(19,264)
Interest and other income.....	1,083	699	1,506	1,970
Interest expense.....	(1,976)	(1,515)	(4,604)	(2,958)
Income (Loss) From Continuing Operations Before Income Taxes and Minority Interests.....	12,224	9,338	17,750	(20,252)
Income taxes.....	5,952	3,721	9,357	5,906
Income (Loss) From Continuing Operations Before Minority Interests.....	6,272	5,617	8,393	(26,158)
Minority interests in earnings of subsidiary.....	--	848	--	1,532
Income (Loss) From Continuing Operations.....	6,272	4,769	8,393	(27,690)
Net income (loss) from discontinued operations.....	(685)	1,702	(653)	(40)
Write-down of discontinued operations to net realizable value.....	(13,662)	--	(13,662)	--
Net Income (Loss).....	(8,075)	6,471	(5,922)	(27,730)
Preferred stock dividends.....	413	--	413	--

Net Income (Loss) Available to Common				
Stockholders.....	\$ (8,488)	\$ 6,471	\$ (6,335)	\$ (27,730)
	=====	=====	=====	=====
Income (Loss) Per Common Share:				
Basic:				
Continuing Operations.....	\$ 0.16	\$ 0.23	\$ 0.22	\$ (1.39)
Discontinued Operations.....	(0.39)	0.08	(0.40)	--
	-----	-----	-----	-----
Net Income (Loss).....	\$ (0.23)	\$ 0.31	\$ (0.18)	\$ (1.39)
	=====	=====	=====	=====
Diluted:				
Continuing Operations.....	\$ 0.16*	\$ 0.22	\$ 0.22	\$ (1.39)
Discontinued Operations.....	(0.36)	0.08	(0.37)	--
	-----	-----	-----	-----
Net Income (Loss).....	\$ (0.20)	\$ 0.30	\$ (0.15)	\$ (1.39)
	=====	=====	=====	=====
Weighted Average Shares Outstanding:				
Basic.....	36,375	20,576	36,232	19,960
	=====	=====	=====	=====
Diluted.....	40,296	21,822	38,446	19,960
	=====	=====	=====	=====

</TABLE>

See notes to consolidated financial statements.

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WORLD ACCESS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
(IN THOUSANDS)

<TABLE>

<CAPTION>

	PREFERRED STOCK	COMMON STOCK	CAPITAL IN EXCESS OF PAR VALUE (UNAUDITED)	ACCUMULATED DEFICIT	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>
Balance at January 1, 1999.....	\$ --	\$ 441	\$472,945	\$ (112,803)	\$360,583
Net and comprehensive net loss.....				(5,922)	(5,922)
Issuance of preferred shares in private offering.....	1		47,750		47,751
Issuance of preferred shares for acquisition of business.....			18,539		18,539
Dividends on preferred stock.....				(413)	(413)
Release of escrowed shares for acquisition.....		1	2,824		2,825
Issuance of shares for technology license.....		5	1,705		1,710
Issuance of shares for options and warrants.....		1	479		480
Tax benefit from option and warrant exercises.....			54		54
Issuance of shares to 401K plan.....			185		185
Balance at June 30, 1999.....	\$ 1	\$ 448	\$544,481	\$ (119,138)	\$425,792

</TABLE>

See notes to consolidated financial statements.

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CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)<TABLE>
<CAPTION>

	SIX MONTHS ENDED JUNE 30,	
	1999	1998
	(UNAUDITED)	
<S>	<C>	<C>
Cash Flows From Operating Activities:		
Net loss.....	\$ (5,922)	\$ (27,731)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization.....	15,123	3,194
Write-down of discontinued operations to net realizable value.....	13,662	--
Income tax benefit from stock warrants and options.....	54	4,222
Special charges.....	--	40,434
Minority interests in earnings of subsidiary.....	--	1,532
Provision for inventory reserves.....	680	144
Provision for bad debts.....	1,453	316
Stock contributed to employee benefit plan.....	185	92
Changes in operating assets and liabilities, net of effects from businesses acquired:		
Accounts receivable.....	(23,121)	(13,088)
Inventories.....	(10,236)	(9,294)
Accounts payable.....	13,909	9,101
Other assets and liabilities.....	(1,499)	(5,970)
Net Cash From Operating Activities.....	4,288	2,952
Cash Flows From Investing Activities:		
Acquisitions of businesses, net of cash acquired.....	(2,241)	(62,084)
Proceeds from sales of assets.....	4,754	--
Capitalization of software development costs.....	(2,452)	(1,831)
Expenditures for property and equipment.....	(4,163)	(5,859)
Net Cash Used By Investing Activities.....	(4,102)	(69,774)
Cash Flows From Financing Activities:		
Net proceeds from sale of preferred stock.....	47,788	--
Short-term borrowings.....	1,200	4,297
Principal payments under capital lease obligations.....	(1,626)	--
Repayment of industrial revenue bond.....	(4,072)	--
Proceeds from exercise of stock warrants and options.....	480	3,080
Long-term debt repayments.....	--	(967)
Debt issuance costs.....	(136)	--

Net Cash From Financing Activities.....	43,634	6,410
	-----	-----
Decrease in Cash and Equivalents.....	43,820	(60,412)
Cash and Equivalents at Beginning of Period.....	55,176	118,065
	-----	-----
Cash and Equivalents at End of Period.....	\$ 98,996	\$ 57,653
	=====	=====

Supplemental Schedule of Noncash Financing and Investing Activities:

Issuance of common stock for businesses acquired.....	\$ 2,825	\$ 33,397
Issuance of preferred stock for business acquired.....	18,539	--
Issuance of common stock for technology license agreements.....	1,710	--
Issuance of stock options for businesses acquired.....	--	8,360
Conversion of note receivable to investment in ATI.....	--	4,485

</TABLE>

See notes to consolidated financial statements.

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